



State of Wisconsin  
2011 - 2012 LEGISLATURE

RMR



LRB-119542

FFK:nwn:rs

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stays

IN 2-17-11

d-note

DOA:.....Skwarczek, BB0262 – Transfer the food stamp program from DHS to DCF

**FOR 2011-13 BUDGET — NOT READY FOR INTRODUCTION**

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1 AN ACT ...; relating to: the budget.

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***Analysis by the Legislative Reference Bureau***

**HEALTH AND HUMAN SERVICES**

**PUBLIC ASSISTANCE**

Under current law, DHS administers the Supplemental Nutrition Assistance Program, formerly known as the food stamp program and currently known in Wisconsin as FoodShare, under which eligible low-income individuals and families receive cash assistance to purchase food. This bill transfers the administration of FoodShare to DCF on January 1, 2013. This bill also updates terminology related to the former food stamp program to be consistent with current federal law.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

- 2       **SECTION 1.** 16.27 (5) (c) of the statutes is amended to read:
- 3       16.27 (5) (c) A household entirely composed of persons receiving aid to families
- 4       with dependent children under s. 49.19, ~~food stamps~~ supplemental nutrition

1 assistance program benefits under 7 USC 2011 to 2036, or supplemental security  
2 income or state supplemental payments under 42 USC 1381 to 1383c or s. 49.77.

3 **SECTION 2.** 16.27 (5) (e) of the statutes is amended to read:

4 16.27 (5) (e) A household that is not eligible under par. (c) that includes at least  
5 one person who is eligible for ~~food stamps~~ supplemental nutrition assistance  
6 program benefits under 7 USC 2011 to 2036, excluding any household in an  
7 institution, as defined by the department of health services by rule.  
8 Notwithstanding sub. (6), a household under this paragraph shall be eligible for a  
9 heating assistance benefit of not more than \$1.

10 **SECTION 3.** 20.435 (4) (bm) of the statutes is amended to read:

11 20.435 (4) (bm) *Medical Assistance, ~~food stamps~~, and Badger Care*  
12 *administration; contract costs; insurer reports; and resource centers.* Biennially, the  
13 amounts in the schedule to provide a portion of the state share of administrative  
14 contract costs for the Medical Assistance program under subch. IV of ch. 49 and the  
15 Badger Care health care program under s. 49.665 ~~and to provide the state share of~~  
16 ~~administrative costs for the food stamp program under s. 49.79~~, other than payments  
17 to counties and tribal governing bodies under s. 49.78 (8), to develop and implement  
18 a registry of recipient immunizations, to reimburse 3rd parties for their costs under  
19 s. 49.475, for costs associated with outreach activities, for state administration of  
20 state supplemental grants to supplemental security income recipients under s.  
21 49.77, to administer the pharmacy benefits purchasing pool under s. 146.45, and for  
22 services of resource centers under s. 46.283. No state positions may be funded in the  
23 department of health services from this appropriation, except positions for the  
24 performance of duties under a contract in effect before January 1, 1987, related to  
25 the administration of the Medical Assistance program between the subunit of the

1 department primarily responsible for administering the Medical Assistance  
2 program and another subunit of the department. Total administrative funding  
3 authorized for the program under s. 49.665 may not exceed 10% of the amounts  
4 budgeted under pars. (p) and (x).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

5 **SECTION 4.** 20.435 (4) (bn) of the statutes is amended to read:

6 20.435 (4) (bn) *Income maintenance.* Biennially, the amounts in the schedule  
7 for funeral expenses under s. 49.785, ~~for administration of the food stamp~~  
8 ~~employment and training program under s. 49.79 (9),~~ for the performance of income  
9 maintenance administrative activities on behalf of a local entity, as defined in s.  
10 30.77 (3) (dm) 1. b., and for payments under s. 49.78 (8) relating to the administration  
11 of the Medical Assistance program under subch. IV of ch. 49, the Badger Care health  
12 care program under s. 49.665, ~~the food stamp program,~~ and the cemetery, funeral,  
13 and burial expenses program under s. 49.785.

14 **SECTION 5.** 20.435 (4) (L) of the statutes is amended to read:

15 20.435 (4) (L) *Fraud and error reduction.* All moneys received as the state's  
16 share of the recovery of overpayments and incorrect payments under ss. 49.497 (1)  
17 and (1m), ~~49.793 (2) (a),~~ and 49.847, all moneys received from counties and tribal  
18 governing bodies as a result of any error reduction activities under ss. 49.197 and  
19 49.845, and all moneys credited to this appropriation account under ss. 49.497 (2) (b),  
20 ~~49.793 (2) (b),~~ and 49.847 (3) (b), for any contracts under s. 49.197 (5), and for any  
21 activities to reduce error and fraud under s. 49.845, ~~to pay federal sanctions under~~  
22 ~~the food stamp program, and for food stamp reinvestment activities under~~

1 ~~reinvestment agreements with the federal department of agriculture that are~~  
2 ~~designed to improve the food stamp program.~~

3 **SECTION 6.** 20.435 (4) (nn) of the statutes is amended to read:

4 20.435 (4) (nn) *Federal aid; income maintenance.* All moneys received from the  
5 federal government for the costs of contracting for the administration of the Medical  
6 Assistance program under subch. IV of ch. 49 and the Badger Care health care  
7 program under s. 49.665 ~~and the food stamp program~~, other than moneys received  
8 under par. (pa), for payments under s. 49.78 (8).

9 **SECTION 7.** 20.435 (4) (pa) of the statutes is amended to read:

10 20.435 (4) (pa) *Federal aid; Medical Assistance ~~and food stamp~~ contracts*  
11 *administration.* All federal moneys received for the federal share of the cost of  
12 contracting for payment and services administration and reporting, other than  
13 moneys received under par. (nn), to reimburse 3rd parties for their costs under s.  
14 49.475, ~~for administrative contract costs for the food stamp program under s. 49.79,~~  
15 and for services of resource centers under s. 46.283.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

16 **SECTION 8.** 20.435 (4) (pv) of the statutes is repealed.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

17 **SECTION 9.** 20.437 (2) (bm) of the statutes is created to read:

18 20.437 (2) (bm) *Supplemental nutrition assistance program administration.*  
19 Biennially, the amounts in the schedule to provide the state share of administrative  
20 costs for the supplemental nutrition assistance program under s. 49.37, including  
21 the supplemental nutrition assistance employment and training program under s.  
22 49.37 (9).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**SECTION 10.** 20.437 (2) (L) of the statutes is amended to read:

20.437 (2) (L) *Public assistance overpayment recovery, fraud investigation, and error reduction.* All moneys received as the state's share of the recovery of overpayments and incorrect payments under s. 49.191 (3) (c), 1997 stats., ~~and s. 49.195, 1997 stats., and s. 49.373 (2) (a),~~ all moneys received from counties and tribal governing bodies as a result of error reduction activities under ss. 49.197 and 49.845, and all moneys credited to this appropriation account under s. 49.373 (2) (b), for any contracts under s. 49.845 (4), for any activities under s. 49.197 (1m) to investigate fraud relating to the Aid to Families with Dependent Children program, the supplemental nutrition assistance program, and the Wisconsin Works program, for any activities under s. 49.197 (3) to reduce payment errors in the supplemental nutrition assistance program and the Wisconsin Works program, ~~and~~ for costs associated with collection of public assistance overpayments, to pay federal sanctions under the supplemental nutrition assistance program, and for supplemental nutrition assistance program reinvestment activities under reinvestment agreements with the federal department of agriculture that are designed to improve the supplemental nutrition assistance program.

**SECTION 11.** 20.437 (2) (nn) of the statutes is amended to read:

20.437 (2) (nn) ~~*Federal program operations aid; supplemental nutrition assistance program administration.*~~ All moneys received from the federal government ~~or any of its agencies for the state~~ for administration of ~~continuing programs~~ the supplemental nutrition assistance program under s. 49.37 to be expended for the purposes specified.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1       **SECTION 12.** 20.437 (2) (pv) of the statutes is amended to read:

2       20.437 (2) (pv) *Electronic benefits transfer.* All moneys received from the  
3 federal government for the electronic transfer of benefits administered by the  
4 department of children and families, including the supplemental nutrition  
5 assistance program under 7 USC 2011 to 2036, to be expended for the purposes  
6 specified. Estimated disbursements under this paragraph shall not be included in  
7 the schedule under s. 20.005.

8       **SECTION 13.** 46.215 (1) (k) of the statutes is amended to read:

9       46.215 (1) (k) Certify eligibility for and issue ~~food coupons~~ benefits to needy  
10 households in conformity with the federal ~~food stamp act of 1964~~ supplemental  
11 nutrition assistance program under 7 USC 2011 to 2036, as amended, and, in  
12 addition, the county department of social services may certify eligibility for and  
13 distribute surplus commodities and food stuffs.

14       **SECTION 14.** 46.22 (1) (b) 2. d. of the statutes is amended to read:

15       46.22 (1) (b) 2. d. To certify eligibility for and issue ~~food coupons~~ supplemental  
16 nutrition assistance program benefits to needy households in conformity with 7 USC  
17 2011 to ~~2029~~ 2036.

18       **SECTION 15.** 46.283 (3) (k) of the statutes is amended to read:

19       46.283 (3) (k) A determination of eligibility for state supplemental payments  
20 under s. 49.77, medical assistance under s. 49.46, 49.468, 49.47, or 49.471, or the  
21 federal ~~food stamp~~ supplemental nutrition assistance program under 7 USC 2011 to  
22 ~~2029~~ 2036.

23       **SECTION 16.** 48.685 (5) (br) 5. of the statutes is amended to read:

1           48.685 (5) (br) 5. An offense involving fraudulent activity as a participant in  
2           the Wisconsin Works program under ss. 49.141 to 49.161, including as a recipient of  
3           a child care subsidy under s. 49.155, or as a recipient of aid to families with dependent  
4           children under s. 49.19, medical assistance under subch. IV of ch. 49, ~~food stamps~~  
5           benefits under the ~~food stamp~~ supplemental nutrition assistance program under 7  
6           USC 2011 to 2036, supplemental security income payments under s. 49.77, payments  
7           for the support of children of supplemental security income recipients under s.  
8           49.775, or health care benefits under the Badger Care health care program under s.  
9           49.665.

10           **SECTION 17.** 49.131 (3) of the statutes is amended to read:

11           49.131 (3) The Except as provided in s. 49.377 (2), the department may not  
12           require a county or tribal governing body to participate in an electronic benefit  
13           transfer system under this section if the costs to the county or tribal governing body  
14           would be greater than the costs that the county or tribal governing body would incur  
15           in delivering the benefits through a system that is not an electronic benefit transfer  
16           system.

17           **SECTION 18.** 49.141 (7) (c) 3. of the statutes is amended to read:

18           49.141 (7) (c) 3. Fraudulently misstating or misrepresenting his or her identity  
19           or place of residence for the purpose of receiving simultaneously in this state and at  
20           least one other state benefits under the federal ~~food stamp~~ supplemental nutrition  
21           assistance program under 7 USC 2011 to 2029 2036.

22           **SECTION 19.** 49.143 (2) (d) of the statutes is amended to read:

23           49.143 (2) (d) If the Wisconsin ~~works~~ Works agency is not a county department  
24           under s. 46.215, 46.22 or 46.23 or tribal governing body, cooperate with the county  
25           department or tribal governing body to ensure that services delivered under

1     Wisconsin ~~works~~ Works, the ~~food stamp~~ supplemental nutrition assistance program  
2     and medical assistance are coordinated with the county or tribal governing body in  
3     a manner that most effectively serves the recipients of those services.

4     **SECTION 20.** 49.155 (1m) (a) 3m. of the statutes is amended to read:

5     49.155 **(1m)** (a) 3m. Participate in a job search or work experience component  
6     of the ~~food stamp~~ supplemental nutrition assistance employment and training  
7     program under s. ~~49.79 (9)~~ 49.37 (9).

8     **SECTION 21.** 49.159 (2) of the statutes is amended to read:

9     49.159 **(2)** MINOR CUSTODIAL PARENTS; FINANCIAL AND EMPLOYMENT COUNSELING.

10    A custodial parent who is under the age of 18 is eligible, regardless of that  
11    individual's or that individual's parent's income or assets, to meet with a financial  
12    and employment planner. The financial and employment planner may provide the  
13    individual with information regarding Wisconsin ~~works~~ Works eligibility, available  
14    child care services, employment and financial planning, family planning services, as  
15    defined in s. 253.07 (1) (b), community resources, eligibility for ~~food stamps~~ the  
16    supplemental nutrition assistance program, and other food and nutrition programs.

17    **SECTION 22.** 49.173 (3) (a) 2. of the statutes is amended to read:

18    49.173 **(3)** (a) 2. ~~Food stamp~~ Supplemental nutrition assistance employment  
19    and training.

20    **SECTION 23.** 49.197 (1m) of the statutes is amended to read:

21    49.197 **(1m)** FRAUD INVESTIGATION. From the appropriations under s. 20.437 (2)  
22    (dz), (kx), (L), (mc), (md), (me), and (nL), the department shall establish a program  
23    to investigate suspected fraudulent activity on the part of recipients of aid to families  
24    with dependent children under s. 49.19, on the part of recipients of benefits under  
25    the supplemental nutrition assistance program under 7 USC 2011 to 2036, on the



1 part of participants in the Wisconsin Works program under ss. 49.141 to 49.161, and,  
2 if the department of health services contracts with the department under sub. (5),  
3 on the part of recipients of medical assistance under subch. IV, ~~food stamp benefits~~  
4 ~~under the food stamp program under 7 USC 2011 to 2036~~, supplemental security  
5 income payments under s. 49.77, payments for the support of children of  
6 supplemental security income recipients under s. 49.775, and health care benefits  
7 under the Badger Care health care program under s. 49.665. The department's  
8 activities under this subsection may include, but are not limited to, comparisons of  
9 information provided to the department by an applicant and information provided  
10 by the applicant to other federal, state, and local agencies, development of an  
11 advisory welfare investigation prosecution standard, and provision of funds to  
12 county departments under ss. 46.215, 46.22, and 46.23 and to Wisconsin Works  
13 agencies to encourage activities to detect fraud. The department shall cooperate  
14 with district attorneys regarding fraud prosecutions.

15 **SECTION 24.** 49.197 (3) of the statutes is amended to read:

16 49.197 (3) STATE ERROR REDUCTION ACTIVITIES. The department shall conduct  
17 activities to reduce payment errors in Wisconsin Works under ss. 49.141 to 49.161  
18 and the supplemental nutrition assistance program under 7 USC 2011 to 2036 and,  
19 if the department of health services contracts with the department under sub. (5),  
20 the Medical Assistance program under subch. IV, ~~the food stamp program under 7~~  
21 ~~USC 2011 to 2036~~, the supplemental security income payments program under s.  
22 49.77, the program providing payments for the support of children of supplemental  
23 security income recipients under s. 49.775, and the Badger Care health care program  
24 under s. 49.665.

25 **SECTION 25.** 49.197 (4) of the statutes is amended to read:

1           49.197 (4) COUNTY AND TRIBAL ERROR REDUCTION. If the department of health  
2           services contracts with the department under sub. (5), the department shall provide  
3           funds from the appropriation under s. 20.437 (2) (kx) to counties and governing  
4           bodies of federally recognized American Indian tribes administering Medical  
5           Assistance under subch. IV, ~~the food stamp program under 7 USC 2011 to 2036~~, the  
6           supplemental security income payments program under s. 49.77, the program  
7           providing payments for the support of children of supplemental security income  
8           recipients under s. 49.775, and the Badger Care health care program under s. 49.665  
9           to offset administrative costs of reducing payment errors in those programs.

10          **SECTION 26.** 49.197 (5) of the statutes is amended to read:

11          49.197 (5) CONTRACTS FOR MEDICAL ASSISTANCE, ~~FOOD STAMPS~~, SUPPLEMENTAL  
12          SECURITY INCOME, AND CARETAKER SUPPLEMENT. Notwithstanding s. 49.845 (1) and (2),  
13          the department of health services may contract with the department to investigate  
14          suspected fraudulent activity on the part of recipients of medical assistance under  
15          subch. IV, ~~food stamp benefits under the food stamp program under 7 USC 2011 to~~  
16          ~~2036~~, supplemental security income payments under s. 49.77, payments for the  
17          support of children of supplemental security income recipients under s. 49.775, and  
18          health care benefits under the Badger Care health care program under s. 49.665 and  
19          to conduct activities to reduce payment errors in the Medical Assistance program  
20          under subch. IV, ~~the food stamp program under 7 USC 2011 to 2036~~, the  
21          supplemental security income payments program under s. 49.77, the program  
22          providing payments for the support of children of supplemental security income  
23          recipients under s. 49.775, and the Badger Care health care program under s. 49.665,  
24          as provided in this section.

25          **SECTION 27.** 49.22 (6) of the statutes is amended to read:

1           49.22 (6) The department shall establish, pursuant to federal and state laws,  
2 rules and regulations, a uniform system of fees for services provided under this  
3 section to individuals not receiving aid under s. 48.645, 49.19, 49.47, or 49.471;  
4 benefits under s. 49.148, 49.155, or ~~49.79~~ 49.37; foster care maintenance payments  
5 under 42 USC 670 to 679a; or kinship care payments under s. 48.57 (3m) or  
6 long-term kinship care payments under s. 48.57 (3n). The system of fees may take  
7 into account an individual's ability to pay. Any fee paid and collected under this  
8 subsection may be retained by the county providing the service except for the fee  
9 specified in 42 USC 653 (e) (2) for federal parent locator services.

10           **SECTION 28.** 49.32 (7) (b) of the statutes is amended to read:

11           49.32 (7) (b) The department shall conduct a program to periodically match the  
12 records of recipients of aid to families with dependent children under s. 49.19 and  
13 recipients of benefits under the supplemental nutrition assistance program under 7  
14 USC 2011 to 2036 and, if the department of health services contracts with the  
15 department under s. 49.197 (5), recipients of medical assistance under subch. IV and  
16 food stamp benefits under the food stamp program under 7 USC 2011 to 2036 with  
17 the records of recipients under those programs in other states. If an agreement with  
18 the other states can be obtained, matches with records of states contiguous to this  
19 state shall be conducted at least annually.

20           **SECTION 29.** 49.32 (7) (c) of the statutes is amended to read:

21           49.32 (7) (c) The department shall conduct a program to periodically ~~match~~  
22 review the address records of recipients of aid to families with dependent children  
23 under s. 49.19 and recipients of benefits under the supplemental nutrition assistance  
24 program under 7 USC 2011 to 2036 and, if the department of health services  
25 contracts with the department under s. 49.197 (5), recipients of medical assistance

1 under subch. IV ~~and food stamp benefits under the food stamp program under 7 USC~~  
2 ~~2011 to 2036~~ to verify residency and to identify recipients receiving duplicate or  
3 fraudulent payments.

4 **SECTION 30.** 49.32 (7) (d) of the statutes is amended to read:

5 49.32 (7) (d) The department, with assistance from the department of  
6 corrections, shall conduct a program to periodically match the records of persons  
7 confined in state correctional facilities with the records of recipients of aid to families  
8 with dependent children under s. 49.19 and benefits under the supplemental  
9 nutrition assistance program under 7 USC 2011 to 2036 and, if the department of  
10 health services contracts with the department under s. 49.197 (5), recipients of  
11 medical assistance under subch. IV ~~and food stamp benefits under the food stamp~~  
12 ~~program under 7 USC 2011 to 2036~~ to identify recipients who may be ineligible for  
13 benefits.

14 **SECTION 31.** 49.32 (10) (a) (intro.) of the statutes is amended to read:

15 49.32 (10) (a) (intro.) Each county department under s. 46.215, 46.22, or 46.23  
16 may release the current address of a recipient of ~~food stamps~~ supplemental nutrition  
17 assistance program benefits under s. 49.37 or of aid under s. 49.19, and each  
18 Wisconsin works agency may release the current address of a participant in  
19 Wisconsin works under ss. 49.141 to 49.161, to a law enforcement officer if the officer  
20 meets all of the following conditions:

21 **SECTION 32.** 49.37 (1m) of the statutes is created to read:

22 49.37 (1m) ADMINISTRATION BY DEPARTMENT. The department shall administer,  
23 and may enter into contracts for the administration of, the supplemental nutrition  
24 assistance program in this state. Administration of the supplemental nutrition  
25 assistance program includes all of the following:

1 (a) Receiving applications.

2 (b) Determining eligibility.

3 (c) Conducting fraud investigation and fraud prevention activities.

4 (d) Implementing error reduction procedures.

5 (e) Recovering overpayments of benefits.

6 **SECTION 33.** 49.78 (1) (b) of the statutes is amended to read:

7 49.78 (1) (b) "Income maintenance program" means the Medical Assistance  
8 program under subch. IV of ch. 49, the Badger Care health care program under s.  
9 49.665, ~~the food stamp program under 7 USC 2011 to 2036,~~ or the cemetery, funeral,  
10 and burial expenses program under s. 49.785.

11 **SECTION 34.** 49.79 (title) of the statutes is renumbered 49.37 (title) and  
12 amended to read:

13 **49.37 (title) ~~Food stamp~~ Supplemental nutrition assistance program**  
14 **administration.**

15 **SECTION 35.** 49.79 (1) (intro.) of the statutes is renumbered 49.37 (1) (intro.).

16 **SECTION 36.** 49.79 (1) (a) of the statutes is renumbered 49.37 (1) (a).

17 **SECTION 37.** 49.79 (1) (c) of the statutes is renumbered 49.37 (1) (f) and  
18 amended to read:

19 49.37 (1) (f) "~~Food stamp program~~ Supplemental nutrition assistance program"  
20 means the federal ~~food stamp~~ supplemental nutrition assistance program under 7  
21 USC 2011 to 2036.

22 **SECTION 38.** 49.79 (1) (f) of the statutes is renumbered 49.37 (1) (c).

23 **SECTION 39.** 49.79 (1) (g) of the statutes is renumbered 49.37 (1) (g).

24 **SECTION 40.** 49.79 (2) of the statutes is renumbered 49.37 (2) and amended to  
25 read:

1           49.37 (2) DENIAL OF ELIGIBILITY. An individual who fails to comply with the work  
2 requirements of the employment and training program under sub. (9) is ineligible to  
3 participate in the ~~food stamp~~ supplemental nutrition assistance program as  
4 specified under sub. (9) (b).

5           **SECTION 41.** 49.79 (3) (title) of the statutes is renumbered 49.37 (3) (title) and  
6 amended to read:

7           49.37 (3) (title) LIABILITY FOR ~~LOST FOOD COUPONS~~ MISAPPROPRIATED BENEFITS.

8           **SECTION 42.** 49.79 (3) (a) of the statutes is renumbered 49.37 (3) (a) and  
9 amended to read:

10          49.37 (3) (a) A county or federally recognized American Indian tribe is liable  
11 for all ~~food stamp coupons lost~~, supplemental nutrition assistance program benefits  
12 that are misappropriated, or destroyed while under the county's or tribe's direct  
13 control, except as provided in par. (b).

\*\*\*\*NOTE: Under the electronic benefit system, are benefits ever under the county's  
or tribe's control? If not, should this paragraph be repealed?

14          **SECTION 43.** 49.79 (3) (b) of the statutes is repealed.

\*\*\*\*NOTE: This section contemplates food stamp coupons that are capable of being  
destroyed or lost in a natural disaster. This section does not seem to be applicable to  
electronic benefits. Please let me know if DHS would like to retain this paragraph.

15          **SECTION 44.** 49.79 (3) (c) of the statutes is renumbered 49.37 (3) (c) and  
16 amended to read:

17          49.37 (3) (c) A county or federally recognized American Indian tribe is liable  
18 for ~~food stamp coupons mailed~~ supplemental nutrition assistance program benefits  
19 incorrectly transferred to residents of the county or members of the tribe and lost in  
20 the mail due to incorrect information submitted to the department by the county or  
21 tribe.

1       **SECTION 45.** 49.79 (4) of the statutes is renumbered 49.37 (4) and amended to  
2 read:

3       **49.37 (4) DEDUCTIONS FROM COUNTY INCOME MAINTENANCE PAYMENTS.** The  
4 department shall withhold the value of ~~food stamp~~ any losses for which a county or  
5 federally recognized American Indian tribe is liable under sub. (3) from the payment  
6 to the county or tribe under ~~income maintenance contracts under s. 49.78~~ contracts  
7 for the administration of the supplemental nutrition assistance program and  
8 reimburse the federal government from the funds withheld.

9       **SECTION 46.** 49.79 (5) (title) of the statutes is renumbered 49.37 (5) (title).

10       **SECTION 47.** 49.79 (5) (a) of the statutes is renumbered 49.37 (5) (a) and  
11 amended to read:

12       **49.37 (5) (a)** The department shall require an applicant for, or recipient under,  
13 the ~~food stamp~~ supplemental nutrition assistance program to state in writing  
14 whether the applicant or recipient or any member of the applicant's or recipient's  
15 household has been convicted, in any state or federal court of a felony that has as an  
16 element possession, use or distribution of a controlled substance. The department  
17 shall require an applicant or recipient, or member of the applicant's or recipient's  
18 household to submit to a test for use of a controlled substance as a condition of  
19 continued eligibility if, after August 22, 1996, but not more than 5 years prior to the  
20 date the written statement is made, the applicant or recipient or the member of the  
21 applicant's or recipient's household was convicted in any state or federal court of a  
22 felony that had as an element possession, use or distribution of a controlled  
23 substance. If the test results are positive with respect to any individual, the  
24 department may not consider the needs of that individual in determining the  
25 household's eligibility for the ~~food stamp~~ supplemental nutrition assistance program

1 for at least 12 months from the date of the test. The department shall, however,  
2 consider the income and resources of that individual to be available to the household.

3 **SECTION 48.** 49.79 (5) (b) of the statutes is renumbered 49.37 (5) (b).

4 **SECTION 49.** 49.79 (6) of the statutes is renumbered 49.37 (6) and amended to  
5 read:

6 49.37 (6) INELIGIBILITY FOR FUGITIVE FELONS. No person is eligible for the ~~food~~  
7 ~~stamp~~ supplemental nutrition assistance program in a month in which that person  
8 is a fugitive felon under 7 USC 2015 (k) (1) or is violating a condition of probation,  
9 extended supervision or parole imposed by a state or federal court.

10 **SECTION 50.** 49.79 (7) of the statutes is renumbered 49.37 (7) and amended to  
11 read:

12 49.37 (7) SIMPLIFIED ~~FOOD STAMP~~ SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.  
13 The department shall develop a simplified ~~food stamp program~~ supplemental  
14 nutrition assistance program that meets all of the requirements under P.L. 104-193,  
15 section 854, and shall submit the plan to the secretary of the federal department of  
16 agriculture for approval. If the secretary of the federal department of agriculture  
17 approves the plan, the department shall submit the plan to the secretary of  
18 administration for approval. If the secretary of administration approves the plan,  
19 the department may implement the plan.

20 **SECTION 51.** 49.79 (8) of the statutes is renumbered 49.37 (8) and amended to  
21 read:

22 49.37 (8) BENEFITS FOR QUALIFIED ALIENS. The department shall provide benefits  
23 under this section to a qualified alien who is ineligible for benefits under this section  
24 solely because of the application of ~~9~~ 8 USC 1612 or 1613 according to a plan approved  
25 by the federal department of agriculture. This subsection does not apply to the



1 extent that federal ~~food stamp~~ supplemental nutrition assistance program benefits  
2 for qualified aliens are restored by the federal government.

3 **SECTION 52.** 49.79 (8m) (title) of the statutes is renumbered 49.37 (8m) (title).

4 **SECTION 53.** 49.79 (8m) (a) of the statutes is renumbered 49.37 (8m) (a) and  
5 amended to read:

6 49.37 (8m) (a) The department shall allow a prisoner who is applying for the  
7 ~~food stamp~~ supplemental nutrition assistance program from a correctional  
8 institution in anticipation of being released from the institution to use the address  
9 of the correctional institution as his or her address on the application.

10 **SECTION 54.** 49.79 (8m) (b) of the statutes is renumbered 49.37 (8m) (b) and  
11 amended to read:

12 49.37 (8m) (b) The department shall allow an employee of a correctional  
13 institution who has been authorized by a prisoner of the institution to act on his or  
14 her behalf in matters related to the ~~food stamp~~ supplemental nutrition assistance  
15 program to receive and conduct telephone calls on behalf of the prisoner in matters  
16 related to the ~~food stamp~~ supplemental nutrition assistance program.

17 **SECTION 55.** 49.79 (9) (title) of the statutes is renumbered 49.37 (9) (title).

18 **SECTION 56.** 49.79 (9) (a) 1. of the statutes is renumbered 49.37 (9) (a) 1. and  
19 amended to read:

20 49.37 (9) (a) 1. The department shall administer an employment and training  
21 program for recipients under the ~~food stamp~~ supplemental nutrition assistance  
22 program and may contract ~~under s. 49.78~~ with county departments under ss. 46.215,  
23 46.22, and 46.23, and with tribal governing bodies to carry out the administrative  
24 functions. The department may contract, or a county department or tribal governing  
25 body may subcontract, with a Wisconsin Works agency or another provider to

1 administer the employment and training program under this subsection. Except as  
2 provided in subds. 2. and 3., the department may require able individuals who are  
3 18 to 60 years of age who are not participants in a Wisconsin Works employment  
4 position to participate in the employment and training program under this  
5 subsection.

6 **SECTION 57.** 49.79 (9) (a) 2. of the statutes is renumbered 49.37 (9) (a) 2. and  
7 amended to read:

8 49.37 (9) (a) 2. The department may not require an individual who is a recipient  
9 under the ~~food stamp~~ supplemental nutrition assistance program and who is the  
10 caretaker of a child under the age of 12 weeks to participate in any employment and  
11 training program under this subsection.

12 **SECTION 58.** 49.79 (9) (a) 3. of the statutes is renumbered 49.37 (9) (a) 3. and  
13 amended to read:

14 49.37 (9) (a) 3. The department may not require an individual who is a recipient  
15 under the ~~food stamp~~ supplemental nutrition assistance program to participate in  
16 any employment and training program under this subsection if that individual is  
17 enrolled at least half time in a school, as defined in s. 49.26 (1) (a) 2., a training  
18 program, or an institution of higher education.

19 **SECTION 59.** 49.79 (9) (a) 4. of the statutes is renumbered 49.37 (9) (a) 4. and  
20 amended to read:

21 49.37 (9) (a) 4. The amount of ~~food stamp~~ supplemental nutrition assistance  
22 benefits paid to a recipient who is a participant in a Wisconsin ~~works~~ Works  
23 employment position under s. 49.147 (4) or (5) shall be calculated based on the  
24 pre-sanction benefit amount received s. 49.148.

25 **SECTION 60.** 49.79 (9) (a) 5. of the statutes is renumbered 49.37 (9) (a) 5.

1           **SECTION 61.** 49.79 (9) (b) (intro.) of the statutes is renumbered 49.37 (9) (b)  
2 (intro.) and amended to read:

3           49.37 (9) (b) (intro.) An individual who fails to comply with the work  
4 requirements under par. (a) without good cause is ineligible to participate in the ~~food~~  
5 stamp supplemental nutrition assistance program as follows:

6           **SECTION 62.** 49.79 (9) (b) 1. of the statutes is renumbered 49.37 (9) (b) 1.

7           **SECTION 63.** 49.79 (9) (b) 2. of the statutes is renumbered 49.37 (9) (b) 2.

8           **SECTION 64.** 49.79 (9) (b) 3. of the statutes is renumbered 49.37 (9) (b) 3.

9           **SECTION 65.** 49.793 (title) of the statutes is renumbered 49.373 (title) and  
10 amended to read:

11           **49.373 (title) Recovery of ~~food stamps~~ stamp supplemental nutrition**  
12 **assistance program overpayments.**

13           **SECTION 66.** 49.793 (1) of the statutes is renumbered 49.373 (1) and amended  
14 to read:

15           49.373 (1) The department or a county or an elected governing body of a  
16 federally recognized American Indian tribe or band acting on behalf of the  
17 department, may recover overpayments that arise from an overissuance of ~~food~~  
18 coupons benefits under the ~~food stamp~~ stamp supplemental nutrition assistance program  
19 administered under s. 46.215 (1) (k) or 46.22 (1) (b) 2. d. Recovery shall be made in  
20 accordance with 7 USC 2022.

21           **SECTION 67.** 49.793 (2) (a) of the statutes is renumbered 49.373 (2) (a).

22           **SECTION 68.** 49.793 (2) (b) of the statutes is renumbered 49.373 (2) (b) and  
23 amended to read:

24           49.373 (2) (b) Any amount that Milwaukee County would otherwise be entitled  
25 to retain under par. (a) for the recovery of an overpayment due to the efforts of a

1 department employee or officer, or a county employee or officer under the  
2 management of the department, shall be credited to the appropriation account under  
3 s. ~~20.435 (4) (L)~~ 20.437 (2) (L).

4 **SECTION 69.** 49.795 (title) of the statutes is renumbered 49.375 (title) and  
5 amended to read:

6 **49.375 (title) ~~Food stamp~~ Supplemental nutrition assistance program**  
7 **offenses.**

8 **SECTION 70.** 49.795 (1) (intro.) of the statutes is renumbered 49.375 (1) (intro.).

9 **SECTION 71.** 49.795 (1) (a) of the statutes is renumbered 49.375 (1) (a) and  
10 amended to read:

11 49.375 (1) (a) "Eligible person" means a member of a household certified as  
12 eligible for the ~~food stamp~~ supplemental nutrition assistance program or a person  
13 authorized to represent a certified household under 7 USC 2020 (e) (7).

14 **SECTION 72.** 49.795 (1) (b) of the statutes is renumbered 49.375 (1) (b) and  
15 amended to read:

16 49.375 (1) (b) "Food" means items ~~which that~~ may be purchased using ~~food~~  
17 ~~coupons~~ supplemental nutrition assistance program benefits under 7 USC 2012 (g)  
18 and 2016 (b).

19 **SECTION 73.** 49.795 (1) (c) of the statutes is renumbered 49.375 (1) (c) and  
20 amended to read:

21 49.375 (1) (c) "~~Food stamp~~ Supplemental nutrition assistance program" means  
22 the federal ~~food stamp~~ supplemental nutrition assistance program under 7 USC  
23 2011 to ~~2029~~ 2036.

24 **SECTION 74.** 49.795 (1) (d) of the statutes is renumbered 49.375 (1) (d) and  
25 amended to read:

1           49.375 (1) (d) "Supplier" means a retail grocery store or other person  
2 authorized by the federal department of agriculture to accept ~~food-coupons~~  
3 supplemental nutrition assistance program benefits in exchange for food under the  
4 ~~food stamp~~ supplemental nutrition assistance program.

5           **SECTION 75.** 49.795 (1) (e) (intro.) of the statutes is renumbered 49.375 (1) (e)  
6 (intro.).

7           **SECTION 76.** 49.795 (1) (e) 1. of the statutes is renumbered 49.375 (1) (e) 1. and  
8 amended to read:

9           49.375 (1) (e) 1. An employee or officer of the federal government, the state, a  
10 county or a federally recognized American Indian tribe acting in the course of official  
11 duties in connection with the ~~food-stamp~~ supplemental nutrition assistance  
12 program.

13           **SECTION 77.** 49.795 (1) (e) 2. of the statutes is renumbered 49.375 (1) (e) 2. and  
14 amended to read:

15           49.375 (1) (e) 2. A person acting in the course of duties under a contract with  
16 the federal government, the state, a county or a federally recognized American  
17 Indian tribe in connection with the ~~food-stamp~~ supplemental nutrition assistance  
18 program.

19           **SECTION 78.** 49.795 (1) (e) 3. of the statutes is renumbered 49.375 (1) (e) 3.

20           **SECTION 79.** 49.795 (1) (e) 4. of the statutes is renumbered 49.375 (1) (e) 4.

21           **SECTION 80.** 49.795 (1) (e) 5. of the statutes is renumbered 49.375 (1) (e) 5. and  
22 amended to read:

23           49.375 (1) (e) 5. A person authorized to redeem ~~food-coupons~~ supplemental  
24 nutrition assistance program benefits under 7 USC 2019.

1           **SECTION 81.** 49.795 (2) of the statutes is renumbered 49.375 (2) and amended  
2 to read:

3           49.375 (2) No person may misstate or conceal facts in a ~~food stamp~~  
4 supplemental nutrition assistance program application or report of income, assets  
5 or household circumstances with intent to secure or continue to receive ~~food stamp~~  
6 supplemental nutrition assistance program benefits.

7           **SECTION 82.** 49.795 (2m) of the statutes is renumbered 49.375 (2m).

8           **SECTION 83.** 49.795 (3) of the statutes is renumbered 49.375 (3) and amended  
9 to read:

10          49.375 (3) No person may knowingly issue ~~food coupons~~ supplemental  
11 nutrition assistance program benefits to a person who is not an eligible person or  
12 knowingly issue ~~food coupons~~ supplemental nutrition assistance program benefits  
13 to an eligible person in excess of the amount for which the person's household is  
14 eligible.

\*\*\*\*NOTE: Under the electronic benefit system, is "supplemental nutrition assistance program benefit" the equivalent of "food coupons" in this subsection, or is this subsection irrelevant under the electronic benefit system?

15          **SECTION 84.** 49.795 (4) of the statutes is renumbered 49.375 (4) and amended  
16 to read:

17          49.375 (4) No eligible person may knowingly transfer ~~food coupons~~  
18 supplemental nutrition assistance program benefits except to purchase food from a  
19 supplier or knowingly obtain or use ~~food coupons~~ supplemental nutrition assistance  
20 program benefits for which the person's household is not eligible.

21          **SECTION 85.** 49.795 (5) of the statutes is renumbered 49.375 (5) and amended  
22 to read:

1           49.375 (5) No supplier may knowingly obtain ~~food coupons~~ supplemental  
2           nutrition assistance program benefits except as payment for food or knowingly  
3           obtain ~~food coupons~~ supplemental nutrition assistance program benefits from a  
4           person who is not an eligible person.

5           **SECTION 86.** 49.795 (6) of the statutes is renumbered 49.375 (6) and amended  
6           to read:

7           49.375 (6) No unauthorized person may knowingly obtain, possess, transfer,  
8           or use ~~food coupons~~ supplemental nutrition assistance program benefits.

9           **SECTION 87.** 49.795 (7) of the statutes is renumbered 49.375 (7) and amended  
10          to read:

11          49.375 (7) No person may knowingly alter ~~food coupons~~ supplemental nutrition  
12          assistance program benefits.

\*\*\*NOTE: Is this subsection relevant under the electronic benefit system? If not,  
should it be repealed?

13          **SECTION 88.** 49.795 (8) (a) (intro.) of the statutes is renumbered 49.375 (8) (a)  
14          (intro.).

15          **SECTION 89.** 49.795 (8) (a) 1. of the statutes is renumbered 49.375 (8) (a) 1. and  
16          amended to read:

17          49.375 (8) (a) 1. If the value of the ~~food coupons~~ supplemental nutrition  
18          assistance program benefits does not exceed \$100, a person who violates this section  
19          may be fined not more than \$1,000 or imprisoned not more than one year in the  
20          county jail or both.

21          **SECTION 90.** 49.795 (8) (a) 2. of the statutes is renumbered 49.375 (8) (a) 2. and  
22          amended to read:

1           49.375 (8) (a) 2. If the value of the ~~food-coupons~~ supplemental nutrition  
2           assistance program benefits exceeds \$100, but is less than \$5,000, a person who  
3           violates this section is guilty of a Class I felony.

4           **SECTION 91.** 49.795 (8) (b) (intro.) of the statutes is renumbered 49.375 (8) (b)  
5           (intro.).

6           **SECTION 92.** 49.795 (8) (b) 1. of the statutes is renumbered 49.375 (8) (b) 1. and  
7           amended to read:

8           49.375 (8) (b) 1. If the value of the ~~food-coupons~~ supplemental nutrition  
9           assistance program benefits does not exceed \$100, a person who violates this section  
10          may be fined not more than \$1,000 or imprisoned not more than one year in the  
11          county jail or both.

12          **SECTION 93.** 49.795 (8) (b) 2. of the statutes is renumbered 49.375 (8) (b) 2. and  
13          amended to read:

14          49.375 (8) (b) 2. If the value of the ~~food-coupons~~ supplemental nutrition  
15          assistance program benefits exceeds \$100, but is less than \$5,000, a person who  
16          violates this section is guilty of a Class H felony.

17          **SECTION 94.** 49.795 (8) (c) of the statutes is renumbered 49.375 (8) (c) and  
18          amended to read:

19          49.375 (8) (c) For any offense under this section, if the value of the ~~food-coupons~~  
20          supplemental nutrition assistance program benefits is \$5,000 or more, a person who  
21          violates this section is guilty of a Class G felony.

22          **SECTION 95.** 49.795 (8) (d) 1. (intro.) of the statutes is renumbered 49.375 (8)  
23          (d) 1. (intro.) and amended to read:

24          49.375 (8) (d) 1. (intro.) In addition to the penalties applicable under par. (a),  
25          (b), or (c), the court shall suspend a person who violates this section from



1 participation in the ~~food-stamp~~ supplemental nutrition assistance program as  
2 follows:

3 **SECTION 96.** 49.795 (8) (d) 1. a. of the statutes is renumbered 49.375 (8) (d) 1.

4 a.

5 **SECTION 97.** 49.795 (8) (d) 1. b. of the statutes is renumbered 49.375 (8) (d) 1.

6 b.

7 **SECTION 98.** 49.795 (8) (d) 1. c. of the statutes is renumbered 49.375 (8) (d) 1.

8 c.

9 **SECTION 99.** 49.795 (8) (d) 1m. of the statutes is renumbered 49.375 (8) (d) 1m.

10 and amended to read:

11 49.375 (8) (d) 1m. In addition to the penalties applicable under par. (a), (b), or  
12 (c), a court shall permanently suspend from the ~~food-stamp~~ supplemental nutrition  
13 assistance program a person who has been convicted of an offense under 7 USC 2024  
14 (b) or (c) involving an item covered by 7 USC 2024 (b) or (c) having a value of \$500  
15 or more.

16 **SECTION 100.** 49.795 (8) (d) 2. of the statutes is renumbered 49.375 (8) (d) 2.

17 **SECTION 101.** 49.795 (8) (e) 1. (intro.) of the statutes is renumbered 49.375 (8)

18 (e) 1. (intro.) and amended to read:

19 49.375 (8) (e) 1. (intro.) If a court finds that a person traded a controlled  
20 substance, as defined in s. 961.01 (4), for ~~food-coupons~~ supplemental nutrition  
21 assistance program benefits, the court shall suspend the person from participation  
22 in the ~~food-stamp~~ supplemental nutrition assistance program as follows:

23 **SECTION 102.** 49.795 (8) (e) 1. a. of the statutes is renumbered 49.375 (8) (e) 1.

24 a.

1       **SECTION 103.** 49.795 (8) (e) 1. b. of the statutes is renumbered 49.375 (8) (e) 1.  
2       b.

3       **SECTION 104.** 49.795 (8) (e) 2. of the statutes is renumbered 49.375 (8) (e) 2. and  
4       amended to read:

5       49.375 (8) (e) 2. If a court finds that a person traded firearms, ammunition, or  
6       explosives for ~~food coupons~~ supplemental nutrition assistance program benefits, the  
7       court shall suspend the person permanently from participation in the ~~food stamp~~  
8       supplemental nutrition assistance program.

9       **SECTION 105.** 49.795 (8) (f) of the statutes is renumbered 49.375 (8) (f) and  
10      amended to read:

11      49.375 (8) (f) Notwithstanding par. (d), in addition to the penalties applicable  
12      under par. (a), (b), or (c), the court shall suspend from the ~~food stamp~~ supplemental  
13      nutrition assistance program for a period of 10 years a person who fraudulently  
14      misstates or misrepresents his or her identity or place of residence for the purpose  
15      of receiving multiple benefits simultaneously under the ~~food stamp~~ supplemental  
16      nutrition assistance program.

17      **SECTION 106.** 49.797 (title) of the statutes is renumbered 49.377 (title).

18      **SECTION 107.** 49.797 (1) of the statutes is renumbered 49.377 (1) and amended  
19      to read:

20      49.377 (1) DEFINITION. In this section, "~~food stamp program~~" "supplemental  
21      nutrition assistance program" means the federal ~~food stamp~~ supplemental nutrition  
22      assistance program under 7 USC 2011 to 2029 2036 or, if the department determines  
23      that the ~~food stamp~~ supplemental nutrition assistance program no longer exists, a  
24      nutrition program that the department determines is a successor to the ~~food stamp~~  
25      supplemental nutrition assistance program.

1       **SECTION 108.** 49.797 (2) (a) of the statutes is renumbered 49.377 (2) and  
2 amended to read:

3       49.377 (2) ~~Notwithstanding s. 46.028 and except as provided in par. (b) and sub.~~  
4 ~~(8), the~~ The department shall administer a statewide program to deliver ~~food stamp~~  
5 supplemental nutrition assistance program benefits to recipients of ~~food stamp~~  
6 supplemental nutrition assistance program benefits by an electronic benefit transfer  
7 system. All suppliers, as defined in s. ~~49.795 (1)~~ 49.375 (1) (d), may participate in the  
8 delivery of ~~food stamp~~ supplemental nutrition assistance program benefits under the  
9 electronic benefit transfer system. The department shall explore methods by which  
10 nontraditional retailers, such as farmers' markets, may participate in the delivery  
11 of ~~food stamp~~ supplemental nutrition assistance program benefits under the  
12 electronic benefit transfer system.

13       **SECTION 109.** 49.797 (2) (b) of the statutes is repealed.

\*\*\*\*NOTE: This paragraph is no longer relevant because the implementation of an  
electronic benefit system is mandatory under federal law.

14       **SECTION 110.** 49.797 (4) of the statutes is renumbered 49.377 (4).

15       **SECTION 111.** 49.797 (5) of the statutes is renumbered 49.377 (5).

16       **SECTION 112.** 49.797 (6) of the statutes is renumbered 49.377 (6).

17       **SECTION 113.** 49.797 (7) of the statutes is renumbered 49.377 (7).

18       **SECTION 114.** 49.797 (8) of the statutes is repealed.

\*\*\*\*NOTE: Current federal law requires distribution of benefits by electronic benefit  
transfer.

19       **SECTION 115.** 49.84 (5) of the statutes is amended to read:

20       49.84 (5) A person applying for Wisconsin ~~works~~ Works under ss. 49.141 to  
21 49.161, aid to families with dependent children under s. 49.19, medical assistance  
22 under subch. IV, or ~~food stamp~~ supplemental nutrition assistance program benefits

1 under 7 USC 2011 to ~~2029~~ 2036 shall, as a condition of eligibility, provide a  
2 declaration and other verification of citizenship or satisfactory immigration status  
3 as required by the department by rule or as required in 42 USC 1320b-7 (d).

4 **SECTION 116.** 49.845 (1) of the statutes is amended to read:

5 49.845 (1) FRAUD INVESTIGATION. From the appropriations under s. 20.435 (4)  
6 (bn), (kz), (L), and (nn), the department of health services shall establish a program  
7 to investigate suspected fraudulent activity on the part of recipients of medical  
8 assistance under subch. IV, ~~food stamp benefits under the food stamp program under~~  
9 ~~7 USC 2011 to 2036~~, supplemental security income payments under s. 49.77,  
10 payments for the support of children of supplemental security income recipients  
11 under s. 49.775, and health care benefits under the Badger Care health care program  
12 under s. 49.665 and, if the department of children and families contracts with the  
13 department of health services under sub. (4), on the part of recipients of aid to  
14 families with dependent children under s. 49.19, recipients of benefits under the  
15 supplemental nutrition assistance program under 7 USC 2011 to 2036, and  
16 participants in the Wisconsin Works program under ss. 49.141 to 49.161. The  
17 activities of the department of health services under this subsection may include  
18 comparisons of information provided to the department by an applicant and  
19 information provided by the applicant to other federal, state, and local agencies,  
20 development of an advisory welfare investigation prosecution standard, and  
21 provision of funds to county departments under ss. 46.215, 46.22, and 46.23 and to  
22 Wisconsin Works agencies to encourage activities to detect fraud. The department  
23 of health services shall cooperate with district attorneys regarding fraud  
24 prosecutions.

25 **SECTION 117.** 49.845 (2) of the statutes is amended to read:

1           49.845 (2) STATE ERROR REDUCTION ACTIVITIES. The department of health  
2           services shall conduct activities to reduce payment errors in the Medical Assistance  
3           program under subch. IV, ~~the food stamp program under 7 USC 2011 to 2036~~, the  
4           supplemental security income payments program under s. 49.77, the program  
5           providing payments for the support of children of supplemental security income  
6           recipients under s. 49.775, and the Badger Care health care program under s. 49.665  
7           and, if the department of children and families contracts with the department of  
8           health services under sub. (4), in Wisconsin Works under ss. 49.141 to 49.161 and the  
9           supplemental nutrition assistance program under 7 USC 2011 to 2036.

10           **SECTION 118.** 49.845 (4) (title) of the statutes is amended to read:

11           49.845 (4) (title) CONTRACT FOR WISCONSIN WORKS AND THE SUPPLEMENTAL  
12           NUTRITION ASSISTANCE PROGRAM.

13           **SECTION 119.** 49.845 (4) (a) 1. of the statutes is amended to read:

14           49.845 (4) (a) 1. Notwithstanding s. 49.197 (1m) and (3), the department of  
15           children and families may contract with the department of health services to  
16           investigate suspected fraudulent activity on the part of recipients of aid to families  
17           with dependent children under s. 49.19, recipients of benefits under the  
18           supplemental nutrition assistance program under 7 USC 2011 to 2036, and  
19           participants in Wisconsin Works under ss. 49.141 to 49.161 and to conduct activities  
20           to reduce payment errors in the supplemental nutrition assistance program under  
21           7 USC 2011 to 2036 and Wisconsin Works under ss. 49.141 to 49.161, as provided in  
22           this section. If any employee of the department of health services reasonably  
23           suspects that fraudulent activity as described in this subdivision has occurred or is  
24           occurring, the employee shall immediately report the facts and circumstances  
25           contributing to that suspicion to the employee's immediate supervisor.

1           **SECTION 120.** 49.847 (1) of the statutes is amended to read:

2           49.847 (1) Subject to ~~ss. s.~~ s. 49.497 (1) and ~~49.793 (1)~~, the department of health  
3 services, or a county or elected governing body of a federally recognized American  
4 Indian tribe or band acting on behalf of the department, may recover benefits  
5 incorrectly paid under any of the programs administered by the department under  
6 this chapter.

7           **SECTION 121.** 49.847 (2) of the statutes is amended to read:

8           49.847 (2) The department, county, or elected governing body may recover an  
9 overpayment from a family or individual who continues to receive benefits under any  
10 program administered by the department under this chapter by reducing the  
11 family's or individual's benefit amount. ~~Subject to s. 49.793 (1), the~~ The department  
12 may by rule specify other methods for recovering incorrectly paid benefits.

13           **SECTION 122.** 49.847 (3) (a) of the statutes is amended to read:

14           49.847 (3) (a) Subject to ~~ss. s.~~ s. 49.497 (2) and ~~49.793 (2)~~, and except as provided  
15 in par. (b), a county or elected governing body may retain a portion of an amount  
16 recovered under this section due to the efforts of an employee or officer of the county,  
17 tribe, or band, as provided by the department by rule.

18           **SECTION 123.** 49.85 (1) of the statutes is amended to read:

19           49.85 (1) DEPARTMENT NOTIFICATION REQUIREMENT. If a county department under  
20 s. 46.215, 46.22, or 46.23 or a governing body of a federally recognized American  
21 Indian tribe or band determines that the department of health services may recover  
22 an amount under s. 49.497, ~~49.793~~, or 49.847, or that the department of children and  
23 families may recover an amount under s. 49.161 ~~or~~, 49.195 (3), or 49.373 or collect  
24 an amount under s. 49.147 (6) (cm), the county department or governing body shall  
25 notify the affected department of the determination. If a Wisconsin Works agency

1 determines that the department of children and families may recover an amount  
2 under s. 49.161 ~~or~~, 49.195 (3), or 49.373 or collect an amount under s. 49.147 (6) (cm),  
3 the Wisconsin Works agency shall notify the department of children and families of  
4 the determination.

5 **SECTION 124.** 49.85 (2) (a) (intro.) of the statutes is amended to read:

6 49.85 (2) (a) (intro.) At least annually, the department of health services shall  
7 certify to the department of revenue the amounts that, based on the notifications  
8 received under sub. (1) and on other information received by the department of  
9 health services, the department of health services has determined that it may  
10 recover under s. 49.45 (2) (a) 10., 49.497, ~~49.793~~, or 49.847, except that the  
11 department of health services may not certify an amount under this subsection  
12 unless all of the following apply:

13 **SECTION 125.** 49.85 (2) (b) of the statutes is amended to read:

14 49.85 (2) (b) At least annually, the department of children and families shall  
15 certify to the department of revenue the amounts that, based on the notifications  
16 received under sub. (1) and on other information received by the department of  
17 children and families, the department of children and families has determined that  
18 it may recover under ~~ss. s.~~ s. 49.161, and 49.195 (3) ~~and~~, or 49.373 or collect under s.  
19 49.147 (6) (cm), except that the department of children and families may not certify  
20 an amount under this subsection unless it has met the notice requirements under  
21 sub. (3) and unless its determination has either not been appealed or is no longer  
22 under appeal.

23 **SECTION 126.** 49.85 (3) (a) 1. of the statutes is amended to read:

24 49.85 (3) (a) 1. Inform the person that the department of health services  
25 intends to certify to the department of revenue an amount that the department of

1 health services has determined to be due under s. 49.45 (2) (a) 10., 49.497, ~~49.793,~~  
2 or 49.847, for setoff from any state tax refund that may be due the person.

3 **SECTION 127.** 49.85 (3) (b) 1. of the statutes is amended to read:

4 49.85 (3) (b) 1. Inform the person that the department of children and families  
5 intends to certify to the department of revenue an amount that the department of  
6 children and families has determined to be due under s. 49.161 ~~or~~, 49.195 (3), or  
7 49.373, or to be delinquent under a repayment agreement for a loan under s. 49.147  
8 (6), for setoff from any state tax refund that may be due the person.

9 **SECTION 128.** 49.95 (4m) (a) of the statutes is amended to read:

10 49.95 (4m) (a) Without legal authority, sends or brings a person to a county,  
11 tribal governing body, or municipality or advises a person to go to a county, tribal  
12 governing body, or municipality for the purpose of obtaining relief funded by a relief  
13 block grant, benefits under the Wisconsin ~~works~~ Works program under ss. 49.141 to  
14 49.161, aid to families with dependent children under s. 49.19, medical assistance  
15 under subch. IV, or ~~food stamps~~ benefits under the supplemental nutrition  
16 assistance program under 7 USC 2011 to 2029 ~~2036~~.

17 **SECTION 129.** 71.07 (2dx) (a) 5. of the statutes is amended to read:

18 71.07 (2dx) (a) 5. "Member of a targeted group" means a person who resides  
19 in an area designated by the federal government as an economic revitalization area,  
20 a person who is employed in an unsubsidized job but meets the eligibility  
21 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,  
22 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,  
23 real pay project position under s. 49.147 (3m), a person who is eligible for child care  
24 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an  
25 economically disadvantaged youth, an economically disadvantaged veteran, a



1 supplemental security income recipient, a general assistance recipient, an  
2 economically disadvantaged ex-convict, a qualified summer youth employee, as  
3 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or  
4 a ~~food stamp~~ recipient of benefits under the supplemental nutrition assistance  
5 program under 7 USC 2011 to 2036, if the person has been certified in the manner  
6 under sub. (2dj) (am) 3. by a designated local agency, as defined in sub. (2dj) (am) 2.

7 **SECTION 130.** 71.28 (1dx) (a) 5. of the statutes is amended to read:

8 71.28 (1dx) (a) 5. "Member of a targeted group" means a person who resides  
9 in an area designated by the federal government as an economic revitalization area,  
10 a person who is employed in an unsubsidized job but meets the eligibility  
11 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,  
12 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,  
13 real pay project position under s. 49.147 (3m), a person who is eligible for child care  
14 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an  
15 economically disadvantaged youth, an economically disadvantaged veteran, a  
16 supplemental security income recipient, a general assistance recipient, an  
17 economically disadvantaged ex-convict, a qualified summer youth employee, as  
18 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or  
19 a ~~food stamp~~ recipient of benefits under the supplemental nutrition assistance  
20 program under 7 USC 2011 to 2036, if the person has been certified in the manner  
21 under sub. (1dj) (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

22 **SECTION 131.** 71.47 (1dx) (a) 5. of the statutes is amended to read:

23 71.47 (1dx) (a) 5. "Member of a targeted group" means a person who resides  
24 in an area designated by the federal government as an economic revitalization area,  
25 a person who is employed in an unsubsidized job but meets the eligibility

1 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,  
2 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,  
3 real pay project position under s. 49.147 (3m), a person who is eligible for child care  
4 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an  
5 economically disadvantaged youth, an economically disadvantaged veteran, a  
6 supplemental security income recipient, a general assistance recipient, an  
7 economically disadvantaged ex-convict, a qualified summer youth employee, as  
8 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or  
9 a food stamp recipient of supplemental nutrition assistance program benefits under  
10 7 USC 2011 to 2036, if the person has been certified in the manner under sub. (1dj)  
11 (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

12 **SECTION 132.** 71.93 (1) (a) 3. of the statutes is amended to read:

13 71.93 (1) (a) 3. An amount that the department of health services may recover  
14 under s. 49.45 (2) (a) 10., 49.497, ~~49.793~~, or 49.847, if the department of health  
15 services has certified the amount under s. 49.85.

16 **SECTION 133.** 71.93 (1) (a) 4. of the statutes is amended to read:

17 71.93 (1) (a) 4. An amount that the department of children and families may  
18 recover under s. 49.161 ~~or~~, 49.195 (3), or 49.373 or collect under s. 49.147 (6) (cm), if  
19 the department of children and families has certified the amount under s. 49.85.

20 **SECTION 134.** 76.636 (1) (e) 13. of the statutes is amended to read:

21 76.636 (1) (e) 13. A food stamp recipient of benefits under the supplemental  
22 nutrition assistance program under 7 USC 2011 to 2036.

23 **SECTION 135.** 102.29 (8r) of the statutes is amended to read:

24 102.29 (8r) No participant in a food stamp supplemental nutrition assistance  
25 employment and training program under s. ~~49.79 (9)~~ 49.37 (9) who, under s. ~~49.79~~

1 ~~(9) (a) 5. 49.37 (9) (a) 5.~~, is provided worker's compensation coverage by the  
2 department of ~~health services~~ children and families or by a Wisconsin Works agency,  
3 as defined in s. 49.001 (9), or other provider under contract with the department of  
4 ~~health services~~ children and families or a county department under s. 46.215, 46.22,  
5 or 46.23 or tribal governing body to administer the ~~food stamp~~ supplemental  
6 nutrition assistance employment and training program and who makes a claim for  
7 compensation under this chapter may make a claim or maintain an action in tort  
8 against the employer who provided the employment and training from which the  
9 claim arose.

10 **SECTION 136.** 115.347 (2) of the statutes is amended to read:

11 115.347 (2) Whenever a school district that is located in whole or in part in a  
12 county that has converted to the client assistance for reemployment and economic  
13 support data system submits a report under sub. (1) in the prescribed format, the  
14 department of children and families shall determine which children enrolled in the  
15 school district are members of Wisconsin Works groups participating under s. 49.147  
16 (3) to (5) or of families receiving aid to families with dependent children or ~~food~~  
17 ~~stamps~~ benefits under the supplemental nutrition assistance program under 7 USC  
18 2011 to 2036 and shall provide the information to the school board as soon thereafter  
19 as possible. The school board shall use the information to directly certify children  
20 as eligible for free or reduced-price meals served by the school district under federal  
21 school nutrition programs, pursuant to 42 USC 1758 (b) (2) (C) (ii) and (iii).

22 **SECTION 137.** 560.70 (4m) of the statutes is amended to read:

23 560.70 (4m) "Member of a targeted group" means a person who resides in an  
24 area designated by the federal government as an economic revitalization area, a  
25 person who is employed in an unsubsidized job but meets the eligibility requirements

1 under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who  
2 is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work, real pay  
3 project position under s. 49.147 (3m), a person who is eligible for child care assistance  
4 under s. 49.155, a person who is a vocational rehabilitation referral, an economically  
5 disadvantaged youth, an economically disadvantaged veteran, a supplemental  
6 security income recipient, a general assistance recipient, an economically  
7 disadvantaged ex-convict, a dislocated worker, as defined in 29 USC 2801 (9), or a  
8 ~~food stamp~~ recipient of benefits under the supplemental nutrition assistance  
9 program under 7 USC 2011 to 2036, if the person has been certified in the manner  
10 under 26 USC 51 (d) (13) (A) by a designated local agency, as defined in 26 USC 51  
11 (d) (12).

12 **SECTION 138.** 812.30 (9) of the statutes is amended to read:

13 812.30 (9) "Need-based public assistance" means aid to families with  
14 dependent children, relief funded by a relief block grant under ch. 49, relief provided  
15 by counties under s. 59.53 (21), medical assistance, supplemental security income,  
16 ~~food stamps~~ supplemental nutrition assistance program benefits, or benefits  
17 received by veterans under s. 45.40 (1m) or under 38 USC 501 to 562.

18 **SECTION 139.** 812.44 (4) 2. (form) of the statutes is amended to read:

19 812.44 (4) 2. (form) You receive aid to families with dependent children, relief  
20 funded by a relief block grant under ch. 49, relief provided by counties under section  
21 s. 59.53 (21) of the Wisconsin Statutes, medical assistance, supplemental security  
22 income, ~~food stamps~~ supplemental nutrition assistance program benefits, or  
23 veterans benefits based on need under 38 USC 501 to 562 or section 45.351 (1) of the  
24 Wisconsin Statutes, or have received these benefits within the past 6 months.

25 **SECTION 140.** 812.44 (5) 2. (form) of the statutes is amended to read:

1           812.44 (5) 2. (form) I receive, am eligible for, or have within 6 months received,  
2           aid to families with dependent children, relief funded by a relief block grant under  
3           ch. 49, relief provided by counties under section 59.53 (21) of the Wisconsin Statutes,  
4           medical assistance, supplemental security income, ~~food stamps~~ supplemental  
5           nutrition assistance program benefits, or veterans benefits based on need under 38  
6           USC 501 to 562 or section 45.351 (1) of the Wisconsin Statutes.

7           **SECTION 141.** 814.29 (1) (d) 1. of the statutes is amended to read:

8           814.29 (1) (d) 1. That the person is a recipient of means-tested public  
9           assistance, including aid to families with dependent children, relief funded by a relief  
10          block grant under ch. 49, relief provided by counties under s. 59.53 (21), medical  
11          assistance, supplemental security income, ~~food stamps~~ supplemental nutrition  
12          assistance program benefits, or benefits received by veterans under s. 45.40 (1m) or  
13          under 38 USC 501 to 562.

14          **SECTION 142.** 977.01 (2) of the statutes is amended to read:

15          977.01 (2) "Public assistance" means relief provided by counties under s. 59.53  
16          (21), Wisconsin ~~works~~ Works under ss. 49.141 to 49.161, medical assistance under  
17          subch. IV of ch. 49, low-income energy assistance under s. 16.27, weatherization  
18          assistance under s. 16.26, and the ~~food stamp~~ supplemental nutrition assistance  
19          program under 7 USC 2011 to 2029 2036.

20          **SECTION 9121. Nonstatutory provisions; Health Services.**

21          (1) FOOD STAMP PROGRAM TRANSFER TO DEPARTMENT OF CHILDREN AND FAMILIES.

22          (a) *Employee transfers.* The classified positions, and incumbent employees  
23          holding positions, in the department of health services relating primarily to the food  
24          stamp program under section 49.79, 2009 stats., as determined by the secretary of  
25          administration, are transferred to the department of children and families. Upon

1 determination of these employees, the secretary of administration may transfer  
2 moneys between the general purpose revenue appropriations for the department of  
3 health services and the department of children and families, between the program  
4 revenue appropriations for the department of health services and the department of  
5 children and families, between the program revenue-service appropriations for the  
6 department of health services and the department of children and families, between  
7 the appropriations of given segregated funds for the department of health services  
8 and the department of children and families, and between the federal revenue  
9 appropriations for the department of health services and the department of children  
10 and families, if necessary to adjust previously allocated costs in accordance with the  
11 transfer of personnel and administrative functions.

12 (b) *Employee status.* Employees transferred under paragraph (a) shall have the  
13 same rights and status under subchapter V of chapter 111 and chapter 230 of the  
14 statutes in the department of children and families that they enjoyed in the  
15 department of health services immediately before the transfer. Notwithstanding  
16 section 230.28 (4) of the statutes, no employee so transferred who has attained  
17 permanent status in class is required to serve a probationary period.

18 (c) *Tangible personal property.* On the effective date of this paragraph, all  
19 tangible personal property, including records, of the department of health services  
20 that is primarily related to the food stamp program under section 49.79, 2009 stats.,  
21 as determined by the secretary of administration, shall be transferred to the  
22 department of children and families.

23 (d) *Contracts.* All contracts entered into by the department of health services  
24 in effect on the effective date of this paragraph that are primarily related to the  
25 related to the food stamp program under section 49.79, 2009 stats., as determined

1 by the secretary of administration, remain in effect and are transferred to the  
2 department of children and families. The department of children and families shall  
3 carry out any such contractual obligations unless modified or rescinded by the  
4 department of children and families to the extent allowed under the contract.

5 (e) *Pending matters.* Any matter pending with the department of health  
6 services on the effective date of this paragraph that is primarily related to the food  
7 stamp program under section 49.79, 2009 stats., as determined by the secretary of  
8 administration, is transferred to the department of children and families and all  
9 materials submitted to or actions taken by the department of health services with  
10 respect to the pending matter are considered as having been submitted to or taken  
11 by the department of children and families.

12 (f) *Rules and orders.* All rules promulgated by the department of health  
13 services that are primarily related to the food stamp program under section 49.79,  
14 2009 stats., as determined by the secretary of administration, and that are in effect  
15 on the effective date of this paragraph remain in effect until their specified expiration  
16 dates or until amended or repealed by the department of children and families. All  
17 orders issued by the department of health services that are primarily related to the  
18 food stamp program under section 49.79, 2009 stats., as determined by the secretary  
19 of administration, and that are in effect on the effective date of this paragraph  
20 remain in effect until their specified expiration dates or until modified or rescinded  
21 by the department of children and families.

22 **SECTION 9321. Initial applicability; Health Services.**

23 (1) **FOOD STAMP TRANSFER; INCOME MAINTENANCE CONTRACTS.** The treatment of  
24 section 49.78 (1) (b) of the statutes first applies to contracts for the administration  
25 of income maintenance programs in 2013.

**SECTION 9421. Effective dates; Health Services.****(1) FOOD STAMP PROGRAM TRANSFER TO DEPARTMENT OF CHILDREN AND FAMILIES.**

The treatment of sections 16.27 (5) (c) and (e), 20.435 (4) (bm), (bn), (L), (nn), (pa), and (pv), 20.437 (2) (bm), (L), (nn), and (pv), 46.215 (1) (k), 46.22 (1) (b) 2. d., 46.283 (3) (k), 48.685 (5) (br) 5., 49.131 (3), 49.141 (7) (c) 3., 49.143 (2) (d), 49.155 (1m) (a) 3m., 49.159 (2), 49.173 (3) (a) 2., 49.197 (1m), (3), (4), and (5), 49.22 (6), 49.32 (7) (b), (c), and (d), and (10) (a), 49.37 (1m), 49.78 (1) (b), 49.79 (title), (intro.), (1) (a), (c), (f), and (g), (2), (3) (title), (a), (b), and (c), (4), (5) (title), (a), and (b), (6), (7), (8), (8m) (title), (a), and (b), and (9) (title), (a) 1., 2., 3., 4., and 5., and (b) (intro.), 1., 2., and 3., 49.793 (title), (1), and (2) (a) and (b), 49.795 (title), (1) (intro.), (a), (b), (c), (d), and (e) (intro.), 1., 2., 3., 4., and 5., (2), (2m), (3), (4), (5), (6), (7), (8) (a) (intro.), 1., and 2., (b) (intro.), 1., and 2, (c), (d) 1. (intro.), a., b., and c., 1m., and 2., (e) 1. (intro.), a., and b. and 2., and (f), 49.797 (title), (1), (2) (a) and (b), (4), (5), (6), (7), and (8), 49.84 (5), 49.845 (1), (2), (4) (title) and (a) 1., 49.847 (1), (2), and (3) (a), 49.85 (1), (2) (a) (intro.) and (b), (3) (a) 1. and (b) 1., 49.95 (4m) (a), 71.07 (2dx) (a) 5., 71.28 (1dx) (a) 5., 71.47 (1dx) (a) 5., 71.93 (1) (a) 3. and 4., 76.636 (1) (e) 13., 102.29 (8r), 115.347 (2), 560.70 (4m), 812.30 (9), 812.44 (4) 2. (form) and (5) 2. (form), 814.29 (1) (d) 1., and 977.01 (2) and SECTION 9121 (1) of this act take effect on January 1, 2013.

(END)





**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-1195/1

FFK: /:.....

cjs

*date -*

To Marta:

The draft removes four<sup>-</sup>star notes contained in the /P2 version.

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**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-1195/1  
FFK:cjs:ph

February 17, 2011

To Marta:

The draft removes four-star notes contained in the /P2 version.

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